

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

In re

RESIDENTIAL CAPITAL, LLC,  
et al.,

Chapter 11

Case No. 12-12020  
(MG)

Debtors.

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**Yellow Highlighting** = JSN Designation

**Pink Highlighting** = Plaintiffs' Counter-Designation

**Orange Highlighting** = Joint Designation

The Debtors' and Committee's counter-designations reflected herein are to be admitted, if at all, only upon admission of the JSNs' corresponding affirmative designations.

VIDEOTAPED DEPOSITION OF ADAM GLASSNER

(Taken by UMB as Bank Trustee & Adhoc Group of JSM)

Charlotte, North Carolina

Wednesday, November 13, 2013

Reported in Stenotype by April Reid

Job #66947

ADAM GLASSNER

ANNOUNCEMENT PAGE

Wednesday, November 13, 2013

9:07 a.m.

201 East Trade Street

The Ritz-Carlton

Charlotte, NC

1 APPEARANCES

2 MILBANK TWEED HADLEY & McCLOY

3 On behalf of UMB as bank trustee

4 and the Adhoc Group of JSM

5 1850 K Street, N.W.

6 Washington, D.C. 20006

7 BY: DAVID COHEN, ESQUIRE

8 BY: JACOB JOU, ESQUIRE

9

10 MORRISON & FOERSTER

On behalf of the debtors

11 1290 Avenue of the Americas

New York, NY 10104

12 BY: ROBERT BAEHR, ESQUIRE

13

14 KRAMER LEVIN NAFTALIS & FRANKEL

On behalf of the committee

15 1177 Avenues of the Americas

New York, NY 10036

16 BY: NORMAN SIMON, ESQUIRE

17

18 KIRKLAND & ELLIS,

On behalf of Ally

19 655 Fifteenth Street, N.W.

Washington, D.C. 20005

20 BY: JUDSON BROWN, ESQUIRE

21

22 BRUNE & RICHARD

On behalf of the deponent

23 One Battery Park Plaza

New York, NY 10004

24 BY: DAVID ELBAUM, ESQUIRE

25

///

1 DECHERT

2 On behalf of the Bank of New York Mellon

3 & Bank of New York Mellon Trust Company

4 1290 160 Queen Victoria Street

5 London, EC 4V4QQ

6 BY: MIKHAELLE SCHIAPPACASSE, ESQUIRE

7 (Via Telephone)

8

9 CADWALADER WICKERSHAM & TAFT

10 On behalf of MBNA

11 One World Financial Center

12 New York, NY 10281

13 BY: JARED STANISCI, ESQUIRE

14 (Via Telephone)

15

KELLEY DRYE & WARREN

16 On behalf of UNC Bank

101 Park Avenue

17 New York, NY 10178

BY: JASON ADAMS, ESQUIRE

18 (Via Telephone)

19

20 SEAN LOWTHER, Legal Video Specialist

21

22 \* \* \* \* \*

23

24

25

ADAM GLASSNER

I N D E X

THE WITNESS

ADAM GLASSNER

EXAMINATION

By Mr. Cohen

9

By Mr. Brown

87

\* \* \* \* \*

ADAM GLASSNER

E X H I B I T S

(Attached)

NO.	DESCRIPTION	PAGE
Glassner 1	Brokering Consumer Loans	74
	to Bank project (BCL2B)	
	November 19, 2008	

\* \* \* \* \*

1 ADAM GLASSNER

2 (THEREUPON, the following proceedings  
3 were had).

4 THE VIDEOGRAPHER: This is the beginning  
5 of tape number one in the deposition of Adam  
6 Glassner in the matter of Residential Capital,  
7 LLC, et al, Debtors, in the Court of the United  
8 States Bankruptcy Court, Southern District of  
9 New York, Case No. 12-12020 (MG).

10 This deposition is being held at the  
11 Ritz-Carlton at 201 East Trade Street in  
12 Charlotte, North Carolina. The date is  
13 November 13th, 2013. The time on the monitor  
14 is approximately 9:07 a.m.

15 My name is Sean Lowther, the Legal Video  
16 Specialist, and the court reporter is April  
17 Reid and we're representing TSG Reporting, Inc.  
18 headquartered at 747 Third Avenue, New York,  
19 New York.

20 Will counsel please introduce themselves  
21 starting with attorney Cohen, and who you're  
22 representing, after which the court reporter  
23 will swear in the witness.

24 MR. COHEN: David Cohen with Jacob Jou,  
25 Milbank, Tweed, Hardley & McClory on behalf of

1 ADAM GLASSNER

2 UMB as bank trustee and the Adhoc Group of JSM  
3 holders.

4 MR. ELBAUM: David Elbaum, Brune &  
5 Richard, for Mr. Glassner.

6 MR. BROWN: Judson Brown, Kirkland &  
7 Ellis, on behalf of Ally.

8 MR. SIMON: Norm Simon, Kramer Levin, on  
9 behalf of the committee.

10 MR. BAEHR: Robert Baehr, Morrison &  
11 Foerster, on behalf of the debtors.

12 MR. COHEN: Would the people on the  
13 phone please identify yourselves and the  
14 parties you represent.

15 MR. ADAMS: Oh. Jason Adams, Kelley  
16 Drye, on behalf of UNC Bank.

17 MR. STANISCI: Jared Stanisci from  
18 Cadwalder Wickersham & Taft, on behalf of MBNA.

19 MR. COHEN: Anyone else?  
20 Dechert?

21 Are you still on?

22 MS. SCHIAPPACASSE: Yes, I'm still on.

23 MR. COHEN: Can you identify yourself  
24 for the record, please.

25 MS. SCHIAPPACASSE: This is Mikki



1 ADAM GLASSNER

2 Schiappacasse from Dechert on behalf of Bank of  
3 New York Mellon and Bank of New York Mellon  
4 Trust Company of North America.

5 Thereupon,

6 ADAM GLASSNER

7 was called for examination and after having been  
8 first duly sworn to tell the truth, was examined and  
9 testified as follows:

10 EXAMINATION

11 BY MR. COHEN:

12 Q. Good morning, Mr. Glassner.

13 A. Good morning.

14 Q. You understand that you're under oath?

15 A. I do.

16 Q. Have you been deposed before?

17 A. I have.

18 Q. How many times?

19 A. Approximately, four or five.

20 Q. And in what circumstances were you  
21 previously deposed?

22 A. A variety of cases involving  
23 mortgage-backed securities and personal -- personnel  
24 matters at previous employers.

25 Q. Did any of those depositions involve

1 ADAM GLASSNER

2 your time either at Ally Financial, Ally Bank or  
3 ResCap?

4 A. No.

5 Q. Okay. Let's go over some ground rules  
6 that hopefully will speed us along this morning.

7 You see the reporter sitting between us,  
8 she's trying to take down a record of everything  
9 that's said here so it's very important that only  
10 one of us speak at a time. I'd ask you to let me  
11 finish my question before you begin answering and I  
12 will do my best to let you finish your answer before  
13 I begin my next question. Okay?

14 A. Yes.

15 Q. It's also very important that all of  
16 your answers be verbal. The record won't reflect a  
17 nod of the hat -- a nod of the head or a gesture of  
18 the hand; is that okay?

19 A. Yes.

20 Q. If any of my questions aren't clear to  
21 you, let me know, I will do my best to clarify that.  
22 Okay?

23 A. Yes.

24 Q. If you need to speak with your attorney  
25 at any time let me know and we'll do our best to

1 ADAM GLASSNER

2 accommodate that. Okay?

3 A. Yes.

4 Q. And if you'd like to take a break at any  
5 time let me know and I'll do my best to accommodate  
6 that as well. Okay?

7 A. Yes.

8 Q. Are you represented by counsel here  
9 today?

Plaintiff's  
Objection  
11:8-18  
Irrelevant (FRE  
401, 402)

10 A. I am.

11 Q. Who is your counsel?

12 A. David Elbaum.

13 Q. How did Mr. Elbaum come to be your  
14 counsel?

15 A. I selected him amongst several choices  
16 provided to me.

17 Q. Who provided you with those choices?

18 A. I believe it was Ally Financial.

19 Q. Were there lawyers from Ally Financial  
20 who provided you with those choices?

21 A. I don't specifically recall whom it came  
22 from.

23 Q. Did Ally Financial offer to represent  
24 you with their own lawyers?

25 MR. ELBAUM: Let me just caution the

1 ADAM GLASSNER

2 witness not to discuss conversations he had  
3 with any lawyers for Ally Financial that might  
4 be covered by the attorney-client privilege.

5 THE WITNESS: I don't recall the  
6 specific circumstances in regard to the  
7 engagement of my counsel.

8 BY MR. COHEN:

9 Q. Okay. When did you engage Mr. Elbaum?

Plaintiffs'  
Objection  
12:9-19  
Irrelevant  
(FRE 401,  
402)

10 A. Approximately, 20 to 24 months ago.

11 Q. Were you interviewed by the examiner in  
12 this case?

13 A. Yes.

14 Q. Did you have legal representation in  
15 connection with your interview with the examiner?

16 A. Yes.

17 Q. Who was your counsel in connection with  
18 that interview?

19 A. David Elbaum.

20 Q. Were you interviewed by lawyers for  
21 ResCap in this case?

22 A. I do not specifically recall.

23 Q. You don't recall meeting with lawyers  
24 from the Morrison & Foerster law firm separate and  
25 apart from your meeting with the examiner?

1 ADAM GLASSNER

2 MR. BROWN: Objection to form.

3 THE WITNESS: I do not recall.

4 BY MR. COHEN:

5 Q. What did you do to prepare for this  
6 deposition?

7 A. I met with my attorneys and got a good  
8 night sleep.

9 Q. All right. When did you meet with your  
10 attorneys?

11 A. I believe it was Wednesday of last week.

12 Q. How long did you spend with your  
13 attorneys during that meeting?

14 A. Several hours.

15 Q. Can you be more specific?

16 A. Approximately, three hours.

17 Q. All right. Other than that meeting, did  
18 you do anything else to prepare for the deposition?

19 A. I did not.

20 Q. Did you meet with lawyers from ResCap?

21 A. I did not.

22 Q. Did you meet with lawyers from any of  
23 the Ally companies?

24 A. I did not.

25 Q. Did you have discussions with lawyers

1 ADAM GLASSNER

2 from ResCap in connection with this deposition?

3 A. Not that I recall.

4 Q. Did you have discussions with any of the  
5 lawyers from the Ally Financial companies in  
6 connection with this deposition?

7 A. Not that I recall.

8 Q. Beginning with college, can you describe  
9 your educational background?

Plaintiff's  
Objection  
14:8-17:12  
Irrelevant  
(FRE 401,  
402)

10 A. I received a BS/BA in finance from Miami  
11 University at Oxford, Ohio in May of 1996.

12 Q. Did you have any further college  
13 education other than your BS/BA?

14 A. That is the extent of my formal  
15 education.

16 Q. Okay. Beginning with your graduation  
17 from college, would you describe your employment  
18 history?

19 A. I worked for Carolina Advisors, Inc. in  
20 Cincinnati, Ohio from approximately July of 1996  
21 through April of 1999.

22 Q. What was your position with Carolina  
23 Advisors?

24 A. I was an asset-backed and  
25 mortgage-backed securities investment analyst.

1 ADAM GLASSNER

2 Q. During that entire period?

3 A. Correct.

4 Q. What were your responsibilities?

5 A. To analyze mortgage backs and  
6 asset-backed securities for investment purposes.

7 Q. Why did you leave Carolina Advisors in  
8 1999?

9 A. I was offered a new opportunity to come  
10 work for NationsBank Montgomery Securities in  
11 Charlotte, North Carolina.

12 Q. What position were you offered with  
13 NationsBank Montgomery Securities?

14 A. An associate in their investment banking  
15 area focused on mortgage-backed securities.

16 Q. What were your responsibilities as an  
17 associate in their investment banking area?

18 A. Origination structuring and client  
19 management within the mortgage backed and mortgage  
20 origination sector.

21 Q. And how long did you hold that position?

22 A. I worked in the investment bank for --  
23 at Bank of America -- well, it became Banc of  
24 America Securities for nine years, all in the  
25 mortgage finance area.

1 ADAM GLASSNER

2 Q. So that would take you up to about 2008?

3 A. That's correct.

4 Q. And why did you leave NationsBank/Bank  
5 of America in 2008?

6 A. I moved from the investment bank to Bank  
7 of America's investment portfolio as part of the  
8 growth of the investment portfolio in mortgages.

9 Q. What position did you hold in the  
10 investment portfolio group?

11 A. Managing director of the retained loan  
12 portfolio.

13 Q. What were your responsibilities as the  
14 managing director of the retained loan portfolio?

15 A. I managed all the loans that were  
16 originated and held at Bank of America for  
17 investment purposes.

18 Q. What were your responsibilities in  
19 connection with managing all of the loans that were  
20 retained and held?

21 A. All aspects of the origination and  
22 acquisition, valuation and ultimate buy or hold  
23 decisions.

24 Q. You took that position in 2008?

25 A. That's correct.



1 ADAM GLASSNER

2 Q. How long did you hold that position?

3 A. Approximately, nine months.

4 Q. Do you know what month in -- in 2008 or  
5 2009 you left that position?

6 A. Would have been approximately March  
7 2009.

8 Q. Why did you leave that position in March  
9 2009?

10 A. I was extended an offer from Ally Bank  
11 to come manage the correspondent and warehouse  
12 division.

13 Q. Were you looking for a new job or did  
14 that job find you?

15 A. That job found me.

16 Q. And what were your responsibilities  
17 managing the correspondent and warehouse division of  
18 Ally Bank?

19 A. I was responsible for all client  
20 selection, product lending, pricing, origination and  
21 disposition of any of the activity associated with  
22 the correspondent vision along with the lending  
23 terms and client selection program for the warehouse  
24 division.

25 Q. When you say "client selection" what do

1 ADAM GLASSNER

2 you mean?

3 A. Who we did business with.

4 Q. At that time was Ally Bank doing  
5 business with GMAC Mortgage?

6 A. Not in that capacity.

7 Q. In what capacity was Ally Bank doing  
8 business with GMAC Mortgage when you joined Ally  
9 Bank?

10 A. Ally Bank sold its origination activity  
11 to GMAC Mortgage who ultimately disposed of those  
12 loans in the capital markets either via sale or  
13 securitization.

14 Q. Did you have any responsibility for the  
15 pricing of those sales?

16 MR. ELBAUM: Objection to form.

17 THE WITNESS: At that point in time I  
18 did not.

19 BY MR. COHEN:

20 Q. Did there come a point in time where you  
21 had responsibility for the pricing of the sales of  
22 Ally Bank's loans to GMAC Mortgage?

23 MR. BROWN: Objection to form.

24 THE WITNESS: Indirectly in September I  
25 be -- I took over the Capital Markets Division

1 ADAM GLASSNER

2 which was in GMAC Mortgage.

3 BY MR. COHEN:

4 Q. What do you mean when you say you "took  
5 over the Capital Markets Division which was in GMAC  
6 Mortgage"?

7 A. The capital markets division is a group  
8 that is responsible for the disposition of all the  
9 originating activity for Ally Financial's  
10 origination business at that time, in September the  
11 gentleman who was my manager and had run that  
12 division previously retired and I took his position.

13 Q. What was his name?

14 A. Tom Neery.

15 Q. So you were an employee of Ally Bank in  
16 September of 2009?

17 A. Yes.

18 Q. Were you also an employee of GMAC  
19 Mortgage in September of 2009?

20 A. No.

21 Q. Did you have managerial responsibility  
22 within GMAC Mortgage in September of 2009?

23 A. Yes.

24 Q. Did it strike you as odd that you had  
25 managerial responsibility in GMAC Mortgage

1 ADAM GLASSNER

2 notwithstanding the fact that you were not an  
3 employee of GMAC Mortgage?

4 MR. ELBAUM: Objection to form.

5 THE WITNESS: It did not.

6 BY MR. COHEN:

7 Q. Why not?

8 A. It's a common structure within a bank  
9 holding company.

10 Q. What do you mean when you say "it's a  
11 common structure within a bank holding company"?

12 A. Within a bank holding company, where  
13 there are multiple subsidiaries, generally speaking  
14 it is very common for employees to be officers or  
15 have responsibilities of separate divisions.

16 Q. Okay. So when you took over the Capital  
17 Markets Division within GMAC Mortgage you were also  
18 -- you also had your responsibilities as managing  
19 the correspondent warehouse activities at Ally Bank,  
20 correct?

21 A. Can you rephrase the question?

22 Q. Certainly.

23 In September of 2009 when you took over  
24 the Capital Markets Division at GMAC Mortgage did  
25 you also continue to have responsibilities at Ally

1 ADAM GLASSNER

2 Bank?

3 A. Yes.

4 Q. What were the responsibilities that you  
5 had at Ally Bank when you took over the Capital  
6 Markets Division at GMAC Mortgage?

7 A. The same that were given to me when I  
8 was hired in March or April of 2009.

9 Q. Okay. So in September 2009 you still  
10 had responsibility at Ally Bank for the pricing of  
11 mortgages when you were selling them, correct?

12 A. That's correct.

13 MR. BROWN: Objection to form.

14 BY MR. COHEN:

15 Q. And in September of 2009 when you took  
16 over the Capital Markets Division at GMAC Mortgage  
17 you had responsibility for pricing when they were  
18 buying mortgages, correct?

19 MR. BROWN: Objection to form.

20 THE WITNESS: No, that's not correct.

21 BY MR. COHEN:

22 Q. What were your responsibilities  
23 vis-a-vis mortgage purchases at GMAC Mortgage when  
24 you took over the Capital Markets Division in  
25 September 2009?

1 ADAM GLASSNER

2 MR. BROWN: Objection to form;  
3 mischaracterizes his testimony.

4 THE WITNESS: The Capital Markets  
5 Division was responsible for disposing of  
6 assets that were originated for distribution  
7 into capital markets. I was responsible for  
8 managing that division on behalf of the  
9 company.

10 BY MR. COHEN:

11 Q. Where was GMAC Mortgage obtaining the  
12 assets that it was distributing to the capital  
13 markets?

14 A. In many cases, Ally Bank.

15 Q. Okay. Did you have any responsibility  
16 for obtaining assets at GMAC Mortgage that it would  
17 then distribute to the capital markets?

JSN Objection  
22:15-23:10  
Irrelevant (FRE  
401, 402)

18 A. I don't understand the question.

19 Q. Well, you were responsible for selling  
20 GMAC Mortgage's assets into the capital markets,  
21 right?

22 A. Correct.

23 Q. Did you have any responsibility for  
24 obtaining assets on behalf of GMAC Mortgage that it  
25 could then distribute into the capital markets?

1 ADAM GLASSNER

2 A. I did not.

3 Q. Who had that responsibility?

4 A. The relationship that -- the way that  
5 the GMAC Mortgage acquired assets was done in a  
6 variety of agreements between GMAC Mortgage and Ally  
7 Bank that pre-existed my arrival at Ally Bank.

8 Q. Okay. But who had responsibility for  
9 monitoring compliance with those agreements?

10 A. I don't know.

11 Q. How do you know that that was not  
12 something you were expected to do?

13 MR. ELBAUM: Objection; form.

14 THE WITNESS: I don't understand the  
15 question.

16 BY MR. COHEN:

17 Q. Well, you say that obtaining assets for  
18 GMAC Mortgage to then distribute into the capital  
19 markets was not one of your responsibilities, right?

20 A. That's correct.

21 Q. How do you know that?

22 A. I don't understand the question.

23 MR. ELBAUM: Same objection.

24 BY MR. COHEN:

25 Q. Why?

1 ADAM GLASSNER

2 MR. ELBAUM: He's told you what his  
3 responsibilities are/were at the time.

4 MR. COHEN: Okay. You can object to the  
5 form.

6 MR. ELBAUM: Okay.

7 MR. COHEN: You can't coach the witness  
8 in a speaking objection.

9 MR. ELBAUM: I am not coaching the  
10 witness.

11 MR. COHEN: This deposition is covered  
12 by the Federal Rules of Banking Procedure.

13 MR. ELBAUM: I am well aware of the  
14 rules.

15 MR. COHEN: Then follow them.

16 MR. ELBAUM: He's told you twice he  
17 doesn't understand the question.

18 MR. COHEN: That's not an objection.

19 MR. ELBAUM: You have asked him the same  
20 question.

21 MR. COHEN: That's not an objection,  
22 that's a speech. If you are going to make  
23 speeches we're going to be here for a very,  
24 very, very long time.

25 MR. ELBAUM: If he says he doesn't



1 ADAM GLASSNER

2 understand the question you shouldn't just ask  
3 the same question, the same words.

4 MR. COHEN: I don't need your help in  
5 how to take a deposition.

6 MR. ELBAUM: Okay. Well, then I will  
7 just object.

8 MR. COHEN: Okay. Then just object.  
9 That's what you're allowed to do under the  
10 rules, period.

11 MR. ELBAUM: And I did and you didn't  
12 change a single word of it.

13 So pose a different question that will  
14 perhaps be clearer to the witness.

15 MR. COHEN: I don't need your help.

16 MR. ELBAUM: I am not offering you help.

17 MR. COHEN: You can object. You can  
18 object to the form.

19 You are very circumscribed.

20 MR. ELBAUM: I'm well aware of the  
21 federal rules.

22 MR. COHEN: We're going to be -- then --  
23 then follow them.

24 MR. ELBAUM: I have been.

25 MR. COHEN: You have not.

1 ADAM GLASSNER

2 MR. ELBAUM: I have been.

3 Go right ahead.

4 This is a third-party question.

5 Go, ask another question please.

6 BY MR. COHEN:

7 Q. Who explained your responsibilities to  
8 you when you became -- when you took your position  
9 in September of 2009 at GMAC Mortgage Capital  
10 Markets?

11 A. I don't specifically recall.

12 Q. Did somebody do that?

13 A. I do not recall a formal meeting  
14 describing my responsibilities.

15 Q. How did you come to understand what your  
16 responsibilities were?

17 A. I was familiar with the general activity  
18 that the Capital Markets Division had taken, I spent  
19 some time with my previous manager who was exiting  
20 on any open issues, and I asked questions of  
21 existing management and control partners to  
22 understand what was the expectations.

23 Q. What was your understanding of the  
24 general activities that the Capital Markets Division  
25 was undertaking when you took responsibility for

1 ADAM GLASSNER

2 that group in September 2009?

3 A. The Capital Markets Division was  
4 responsible for distributing loans originated by the  
5 franchise for ultimate disposition into the capital  
6 markets, either through hold on sales or  
7 securitizations.

8 Q. You said you spent time with your  
9 predecessor and discussed open issues. What open  
10 issues did you discuss?

11 A. I do not recall --

12 Q. And --

13 A. -- any of the specifics.

14 Q. Do you recall generally what you  
15 discussed?

16 A. I do not.

17 Q. You said you spent time with your team  
18 to -- to discuss the issues in the group. Do you  
19 recall any of the specifics of that discussion?

20 A. I actually did not testify that I spent  
21 time with my team. I said I spent time with my  
22 manager, management of the company and the control  
23 partners.

24 Q. Okay. In connection with spending time  
25 with the management of the company and the control

1 ADAM GLASSNER

2 partners, what did you discuss?

3 A. I don't specifically recall.

4 Q. Did there come a time when you left your  
5 positions at Ally Bank and GMAC Mortgage?

6 A. I don't think that's a complete  
7 question. I don't understand it.

8 Q. Are you still employed with Ally Bank?

9 A. I am not.

10 Q. Do you still have responsibilities for  
11 GMAC Mortgage?

12 A. I do not.

13 Q. When did you leave Ally Bank?

14 A. January 2012.

15 Q. Why did you leave Ally Bank in January  
16 of 2012?

17 A. To pursue a new opportunity with Fannie  
18 Mae.

19 Q. What was that opportunity?

20 A. It was SVP responsible for pricing.

21 Q. Do you still hold that position?

22 A. I do not.

23 Q. How long did you hold that position?

24 A. Till approximately May of 2013.

25 Q. Why did you leave that position in May

1 ADAM GLASSNER

2 of 2013?

3 A. To pursue a new opportunity with Baby  
4 Loan servicing hedge fund originations.

5 Q. Do you still hold that position today?

6 A. I do.

7 Q. When you were with Fannie were you  
8 located in Washington, D.C.?

9 A. I commuted from Charlotte to D.C.

10 Q. From September 2009 till January 2012  
11 when you left your position at Ally Bank did you  
12 have responsibility during that entire period for  
13 the Capital Markets Group at GMAC Mortgage?

14 A. No.

15 Q. When did you stop having responsibility  
16 for the Capital Markets Group at GMAC Mortgage?

17 A. Upon my departure in January of 2012.

18 Q. From September 2009 up to January 2012  
19 did your responsibilities for managing the Capital  
20 Markets Group at GMAC Mortgage change?

21 A. No.

22 Q. You testified that you were interviewed  
23 by the examiner in this case?

24 A. Yes.

25 Q. When did that happen?

Plaintiff's  
Objection  
29:22-31:24  
Irrelevant  
(FRE 401,  
402)

1 ADAM GLASSNER

2 A. I don't specifically recall.

3 Q. Do you recall generally?

4 A. I actually do not recall generally.

5 Q. Do you remember how long that interview  
6 lasted?

7 A. A full day.

8 Q. What did you do to prepare for that  
9 interview?

10 A. I met with my attorneys and got a good  
11 night sleep.

12 Q. All right. When you say your attorneys,  
13 are you talking about your attorney here today?

14 A. And other associates with his firm, yes.

15 Q. Did you meet with any of the lawyers  
16 representing either Ally or ResCap to prepare for  
17 your interview with the examiner?

18 A. Yes.

19 Q. Who did you meet with from ResCap or  
20 Ally in preparation for your meeting with the  
21 examiner?

22 A. Ally's counsel represented here today.

23 Q. Mr. Brown?

24 A. That's correct.

25 Q. For what purpose did you meet with Mr.

1 ADAM GLASSNER

2 Brown?

3 A. I don't understand the question.

4 Q. Why did you meet with Mr. Brown in  
5 preparation for your interview with the examiner?

6 A. He was present during my discussions  
7 with my counsel. I'm not exactly sure why he was  
8 present.

9 Q. You didn't ask him to be there?

10 A. I don't believe I did.

11 Q. Okay. And you're not sure why he was  
12 there?

13 A. I'm not a lawyer.

14 Q. I understand that, but -- but my  
15 question is, when you go to a meeting to prepare for  
16 the interview you had no understanding as to why Mr.  
17 Brown was there with you?

18 A. Much like I'm not sure why all the other  
19 people are in the room here today, I did not  
20 understand or did not ask why.

21 Q. Okay. Were you relying on him to  
22 provide you with legal advice during that  
23 preparation?

24 A. I was not.

25 Q. Are you familiar during your time at

1 ADAM GLASSNER

2 Ally Bank and at GMAC Mortgage with -- with a  
3 program called the Brokering Consumer Loans to Bank?

4 MR. BROWN: Objection to form.

5 THE WITNESS: At a high level, yes.

6 BY MR. COHEN:

7 Q. What is your understanding at a high  
8 level of the brokering consumer loans to bank  
9 project?

10 A. It was a program put in place prior to  
11 my arrival, where the consumer direct division that  
12 is housed within GMAC Mortgage would broker loans  
13 originated directly from consumers to Ally Bank.

14 Q. Do you know what the purpose of that  
15 program was?

16 A. I do not know specifically, I did not  
17 set it up.

18 Q. Do you know generally what the purpose  
19 of that program was?

20 A. Generally, it was there so that GMAC  
21 Mortgage could broker loans to Ally Bank.

22 Q. Do you know what the business purpose of  
23 that program was?

24 MR. BROWN: Objection to form.

25 THE WITNESS: I do not.

JSN  
Objection  
32:22-33:21  
Irrelevant  
(FRE 401,  
402)



1 ADAM GLASSNER

2 BY MR. COHEN:

3 Q. Do you know why there was a desire to  
4 have GMAC Mortgage broker loans to Ally Bank?

5 A. As a --

6 MR. ELBAUM: Objection to form.

7 You can answer.

8 THE WITNESS: As it was set up prior to  
9 my arrival and by parties that I was not  
10 involved with, I cannot answer that question.

11 BY MR. COHEN:

12 Q. So even though it was in place when you  
13 took over responsibility for the Capital Markets  
14 Group at GMAC Mortgage you had no understanding of  
15 why that program was put in place?

16 MR. BROWN: Objection to form.

17 MR. ELBAUM: Misstates the record.

18 THE WITNESS: That was not part of the  
19 capital markets activities. That was a  
20 consumer division activity which I was not  
21 responsible for.

22 BY MR. COHEN:

23 Q. In -- in your capacity at -- at Ally  
24 Bank did you have under -- any understanding as to  
25 why that program was put in place?

1 ADAM GLASSNER

2 MR. BROWN: Objection to form.

3 THE WITNESS: As I previously testified,  
4 it was set up prior to my arrival at Ally Bank  
5 by executives that were in charge of that area,  
6 not me.

7 BY MR. COHEN:

8 Q. I understand that, but even though the  
9 program was put in place before you got there once  
10 you got there did you have any understanding as to  
11 why that program had been put in place previously?

12 MR. BROWN: Objection to form; asked and  
13 answered.

14 THE WITNESS: I do not.

15 BY MR. COHEN:

16 Q. Do you have any understanding of what  
17 happened once the loans were brokered from GMAC  
18 Mortgage to Ally Bank, what Ally Bank then did with  
19 those loans?

20 A. Yes.

21 Q. What did Ally Bank do with those loans?

22 A. It held them for a period of time until  
23 they were sold to GMAC Mortgage which were then  
24 subsequently sold to the capital markets.

25 Q. Why would Ally Bank hold the loans

JSN Objection  
34:25-36:3  
Irrelevant (FRE 401,  
402); incomplete  
question and answer

1 ADAM GLASSNER

2 brokered by GMAC Mortgage and then just sell them

3 back?

4 A. I don't understand the question.

5 Q. What was the business purpose of  
6 brokering loans to Ally Bank just to have them sell  
7 them back to GMAC Mortgage?

8 MR. BROWN: Objection to form; asked and  
9 answered.

10 THE WITNESS: As I previously testified,  
11 that relationship existed prior to my arrival  
12 at Ally Bank so I cannot tell you the business  
13 purpose for the reason that those people set  
14 that up.

15 BY MR. COHEN:

16 Q. In your capacity holding positions both  
17 at Ally Bank and GMAC Mortgage you had no  
18 understanding as to why that relationship was on  
19 going?

20 MR. BROWN: Objection.

21 MR. SIMON: Objection to form.

22 THE WITNESS: I had a high level  
23 understanding of the way that the relationship  
24 worked and operated. As I wasn't involved in  
25 the development of that or the documentation of

1 ADAM GLASSNER

2 that, I don't know the business purpose for the  
3 reasons those people put that in place.

4 BY MR. COHEN:

5 Q. So while you have -- held positions at  
6 both Ally Bank and GMAC Mortgage you -- your -- you  
7 had no sense of why that relationship was ongoing?

8 MR. BROWN: Objection to form; asked and  
9 answered, mischaracterizes his testimony.

10 THE WITNESS: As I previously testified,  
11 that relationship predated my arrival. I  
12 reviewed the documentation to understand the  
13 agreements, but I was not involved in the  
14 development of the program or the documents so  
15 I cannot say why those people developed it and  
16 why it existed.

17 BY MR. COHEN:

18 Q. When you say you reviewed the  
19 documentation to understand the agreements what  
20 specifically did you do?

21 A. I reviewed the broker agreement and I  
22 spent time with the people who developed the program  
23 to understand how it was supposed to work.

24 Q. Which specific people are you referring  
25 to when you say you "spent time with the people who

1 ADAM GLASSNER

2 developed the program"?

3 A. I believe it was Al Celini, Bob Groody  
4 and Mark Hales.

5 Q. Other than the broker agreement, were  
6 there other documents that you looked at?

7 A. Yes.

8 Q. What other documents did you look at?

9 A. There was a pipeline swap and an MSR  
10 swap that I also reviewed.

11 Q. Anything else?

12 A. Not that I recall.

13 Q. Did -- did you review a document titled  
14 the Master Mortgage Loan Purchase & Sale Agreement,  
15 MMP -- MMLPSA?

16 A. I have reviewed that document. I do not  
17 believe it happened at that time.

18 Q. Okay. Why did you talk to the people  
19 who developed the program?

20 A. I wanted to understood -- understand how  
21 the program worked.

22 Q. And what did you come to understand as  
23 to how the program worked?

24 A. That GMAC Mortgage brokered  
25 consumer-direct origination loans to Ally Bank, Ally

1 ADAM GLASSNER

2 Bank sold those loans back to GMAC Mortgage and  
3 retained mortgage servicing rights for its own  
4 balance sheet, and GMAC Mortgage sold those loans to  
5 the capital markets.

6 Q. And in those discussions did you talk  
7 about the economics of that relationship?

8 A. I do not believe at that point we did.

9 Q. Did there come a point when you did have  
10 discussions about the economics of that  
11 relationship?

12 A. Yes.

13 Q. When did that happen?

14 A. I don't specifically recall. It  
15 happened on multiple occasions, as I tried to  
16 understand their aggregate relationship and the  
17 various agreements and swaps and how they  
18 interplayed with each other.

19 Q. When you say "multiple occasions" how  
20 many times are you talking about?

21 A. I don't specifically recall.

22 Q. Why did you want to understand the  
23 aggregate relationships and the various agreements  
24 and how they interplayed with each other?

25 A. It was to better understand the business

1 ADAM GLASSNER

2 activities of Ally Bank and how the mortgage  
3 origination business impacted Ally Bank in its  
4 financials.

5 Q. Were you able to better understand the  
6 business activities of Ally Bank and how the  
7 mortgage origination business impacted Ally Bank as  
8 a result of these discussions?

9 A. Generically, yes.

10 Q. And what was that understanding that --  
11 that you came to generically have?

12 A. I came to understand that GMAC Mortgage  
13 brokered loans to Ally Bank which were subsequently  
14 sold to the capital markets via GMAC Mortgage, the  
15 MSRs were covered under a total return swap where  
16 Ally Bank received a fixed -- or a floating payment  
17 in return for exchange of market value risk  
18 associated with those assets and any asset changes  
19 of the loans while they were held at Ally Bank were  
20 swapped to GMAC Mortgage.

21 Q. Did you come to have an understanding as  
22 to what GMAC Mortgage was expected to pay in this  
23 relationship when it acquired the loans back from  
24 Ally Bank?

25 A. During what period of time?

1 ADAM GLASSNER

2 Q. During any period of time.

3 A. Yes.

4 Q. What was your understanding as to what  
5 GMAC Mortgage was required to pay Ally Bank when it  
6 acquired those mortgages back from Ally Bank?

7 A. It was my understanding that the  
8 agreements were written to cover cost basis.

9 Q. When you say "cost basis" what do you  
10 mean?

11 A. The cost that the loan or -- the cost of  
12 the loan to originate.

13 Q. How was that determined?

14 MR. BROWN: Objection; form.

15 THE WITNESS: I do not know.

16 BY MR. COHEN:

17 Q. You never asked?

18 A. I did ask.

19 Q. What were you told?

20 A. I never got a definitive answer prior to  
21 my departure.

22 Q. What kind of answers did you get if they  
23 weren't definitive?

24 A. That investigation was ongoing.

25 Q. What was being investigated?



1 ADAM GLASSNER

2 A. I don't understand the question.

3 Q. Well, they told you an investigation was  
4 ongoing, what did you take that to mean?

5 A. That they were looking into it.

6 Q. How long had the relationship been in  
7 place when you left Ally Bank in January of 2012?

8 MR. BROWN: Objection to form.

Plaintiffs'  
Objection  
41:6-42:12  
Lack of  
personal  
knowledge/  
speculative  
(FRE 602), lack  
of foundation  
(FRE 602, 901)

9 THE WITNESS: I don't specifically  
10 recall.

11 BY MR. COHEN:

12 Q. Well, was it in place when you joined in  
13 2009?

14 MR. BROWN: Objection to form.

15 THE WITNESS: As I previously testified,  
16 all of the agreements were in place prior to my  
17 arrival.

18 BY MR. COHEN:

19 Q. Okay. So it was at least two or three  
20 years, right?

21 A. It was prior to my arrival.

22 Q. And you were there for two or three  
23 years, right?

24 A. I started in approximately April of 2009  
25 and left in January of 2012.

1 ADAM GLASSNER

2 Q. Okay. So two-and-a-half years, right?

3 A. That sounds about right.

4 Q. Okay. So the program was in place for  
5 two-and-a-half years at least, right?

6 MR. ELBAUM: When he left? The time  
7 periods are confusing here.

8 MR. COHEN: Yes.

9 MR. ELBAUM: Okay.

10 THE WITNESS: It was in place prior to  
11 my arrival and I believe it was still in place  
12 when I left, yes.

13 BY MR. COHEN:

14 Q. And you were there two-and-a-half years,  
15 right?

16 MR. BROWN: Objection to form.

17 THE WITNESS: I started in approximately  
18 May of 2009 and left in January of 2012.

19 BY MR. COHEN:

20 Q. And you would agree that that's  
21 approximately two-and-a-half years, right?

22 MR. ELBAUM: I think that's been asked  
23 and answered.

24 THE WITNESS: I testified that I arrived  
25 at Ally Bank in approximately May of 2009.

1 ADAM GLASSNER

2 BY MR. COHEN:

3 Q. You don't --

4 A. And --

5 Q. -- know whether that's approximately  
6 two-and-a-half years?

7 You can't answer that question?

8 A. I don't know what "approximately" means.

9 MR. BROWN: He's already answered it.

10 MR. ELBAUM: It has been asked already.

11 BY MR. COHEN:

12 Q. You don't know what approximately means?

13 MR. ELBAUM: Objection; argumentative  
14 and abusive.

15 Why don't you ask a subsequent question.

16 The calendar is what the calendar is.

17 THE WITNESS: As I previously testified,  
18 I arrived in May of 2009, if you would like to  
19 characterize that as approximately  
20 two-and-a-half years you are more than welcome  
21 to.

22 BY MR. COHEN:

23 Q. The last question I asked you was, your  
24 sworn testimony is you don't know what the word  
25 approximately means?

1 ADAM GLASSNER

2 A. I don't --

3 MR. ELBAUM: That's abusive.

4 THE WITNESS: I don't --

5 MR. ELBAUM: Just focus on the substance  
6 here.

7 MR. COHEN: You can object to the form.

8 MR. ELBAUM: I have.

9 MR. BROWN: Objection to form.

10 MR. COHEN: Thank you.

11 Would you read back my last question?

12 (THEREUPON, the above-referred to  
13 portion of the Record was read back by  
14 the Court Reporter).

15 THE WITNESS: I don't know if you  
16 believe -- if you and I have the same  
17 definition of what approximately means.

18 As I testified, I gave you my  
19 approximate arrival date and my approximate  
20 departure date, if you believe that is  
21 approximately two-and-a-half years that is your  
22 opinion.

23 I'd have to go back to my employment  
24 records to determine the exact date of my  
25 arrival and the exact date of my departure and

1 ADAM GLASSNER

2 then determine how many days and how many years  
3 that is.

4 BY MR. COHEN:

5 Q. Did it strike you as odd when you asked  
6 about what GMAC Mortgage was required to pay Ally  
7 Bank --

8 A. Uh-huh.

9 Q. -- to purchase the loans that it  
10 brokered that you weren't able to get a definitive  
11 answer on that?

12 MR. SIMON: Objection to form.

13 THE WITNESS: I had a high level  
14 understanding during my tenure of the way these  
15 agreements worked.

16 When I inquired in late 2009 about  
17 various activities going on, to understand how  
18 they were being -- being administered I went to  
19 the finance departments of both companies to  
20 inquire and have them investigate, their  
21 investigation was ongoing upon my departure in  
22 2012.

23 BY MR. COHEN:

24 Q. So you initiated your inquiry as to how  
25 these agreements were being administered in late

1 ADAM GLASSNER

2 2009?

3 A. I'm sorry. Late 2011.

4 Q. Okay.

5 A. I...

6 Q. You understood that there were contracts  
7 in place that govern these relationships, right?

8 A. As I previously testified, I reviewed  
9 several of those contracts post my discussions with  
10 the executives that drafted them.

11 Q. So the answer is yes, there were  
12 contracts in place?

13 A. Yes.

14 Q. Okay. Did it strike you as odd when you  
15 asked in late 2011 how these agreements were being  
16 administered that you weren't able to get a  
17 definitive answer?

18 MR. BROWN: Objection to form.

19 THE WITNESS: It did not.

20 BY MR. COHEN:

21 Q. Why not?

22 A. I did not have an in-depth understanding  
23 of the agreements. I went to the parties that -- to  
24 understand with questions, under question -- to  
25 understand questions that I had and they

1 ADAM GLASSNER

2 investigated. I did not strike that as odd -- that  
3 did not strike as odd to me.

4 Q. What questions did you have?

5 A. It was my high level understanding of  
6 the agreements that certain economics would go to  
7 certain entities and when I saw a financial summary  
8 of both legal entities side-by-side at a high level  
9 it did not strike me to be congruent with my  
10 understanding of the agreements.

11 Q. What was your understanding of the  
12 agreements as to which economics would go to which  
13 party?

14 A. It was my understanding that GMAC  
15 Mortgage would get gain on sale and Ally Bank would  
16 earn points and fees and interest earned during the  
17 holding period.

18 Q. When you say "points and fees and  
19 interest earned during the holding period" what do  
20 you mean?

21 A. Points and fees paid by the consumer at  
22 the origination of the residential loan and the  
23 interest spread over the -- the interest earned over  
24 its cost of funds on the mortgage loan while it is  
25 held by Ally Bank.

1 ADAM GLASSNER

2 Q. How did you come to have that  
3 understanding of the agreements?

4 A. It was explained to me by the executives  
5 that put the agreements in place.

6 Q. Did there come a time where you came to  
7 believe that the agreements were not being  
8 administered that way?

9 A. In late 2011 when I saw the financials  
10 of both entities next to each other, at a glance  
11 they did not appear to be incongruent with the high  
12 level understanding I had of the agreements.

13 Q. In what way were they not congruent with  
14 your high level understanding of the agreements?

15 A. It appeared that more of the economics  
16 involved with the origination activity were being  
17 kept at Ally Bank than I would have suspected with  
18 those agreements.

19 Q. Did you have an understanding of what  
20 aspects of the economics were being retained at Ally  
21 Bank that was inconsistent with your understanding  
22 of the agreements?

23 A. I did not.

24 Q. Did there come a time where you gained  
25 an understanding of that?



1 ADAM GLASSNER

2 A. I did not.

3 Q. Who did you ask to clarify the  
4 administration of these agreements once you  
5 discovered that it was inconsistent with your  
6 understanding of the way the agreements were meant  
7 to operate?

8 A. I believe it was several people within  
9 Ally Bank's finance department along with ResCap or  
10 GMAC Mortgage's finance department.

11 Q. Okay. Let's start with ResCap. Who at  
12 ResCap did you raise the issue with?

13 A. I believe I had a conversation with Jim  
14 Whitlinger.

15 Q. What was Mr. Whitlinger's position  
16 within ResCap?

17 A. I believe at that point he was the CFO  
18 of ResCap.

19 Q. Did you raise the issue with anyone else  
20 at ResCap?

21 A. I believe I made Tom Morano aware -- who  
22 was CEO aware.

23 Q. You made Mr. Morano aware of what?

24 A. That at a high level the economic splits  
25 did not appear to be consistent with my

1 ADAM GLASSNER

2 understanding of the agreements.

3 Q. How often did you interact with Mr.  
4 Morano in general?

5 A. Frequently.

6 Q. When you say "frequently" what do you  
7 mean?

8 A. Quite often.

9 Q. How many times a week?

10 A. Multiple.

11 Q. More than five?

12 A. I likely interacted with Mr. Morano, if  
13 averaged out over a month, more than one time a day.

14 Q. Okay. And how often did you interact  
15 with Mr. Whitlinger?

16 A. Frequently, but less so than Mr. Morano.

17 Q. All right. Who at Ally did you raise  
18 this issue with?

19 MR. BROWN: Objection to form.

20 Do you mean Ally Bank?

21 BY MR. COHEN:

22 Q. Who at any of the Ally-named entities,  
23 AFI, Ally Bank, any -- any entity that was called  
24 Ally did you raise the issue?

25 MR. BROWN: Objection to form.

Plaintiff's  
Objection  
50:22-15  
Objection to  
form: vague,  
ambiguous

1 ADAM GLASSNER

2 THE WITNESS: I raised it to Jim Young  
3 who was the CFO.

4 BY MR. COHEN:

5 Q. Anyone else?

6 A. I believe I raised it to Ann Cummings  
7 who was the head auditor.

8 Q. Anyone else?

9 A. I'm sure there were other people within  
10 -- within Jim Young's organization, Joe Cortez and  
11 others that I can't specifically recall having  
12 conversations with.

13 Q. Why did you raise the issue with so many  
14 people?

15 MR. SIMON: Objection to form.

16 MR. BROWN: Objection.

17 THE WITNESS: It was inconsistent with  
18 my understanding of the agreements.

19 BY MR. COHEN:

20 Q. Why didn't you just find one person and  
21 say this is inconsistent, can you explain it?

22 Why didn't you do that?

23 A. I don't recall.

24 Q. Did you think it was a big issue?

25 MR. BROWN: Objection to form.

1 ADAM GLASSNER

2 THE WITNESS: It had the potential  
3 implication given the size of the activity that  
4 had gone down -- that had taken place between  
5 the two entities to potentially have material  
6 intact -- impact to both entities.

7 BY MR. COHEN:

8 Q. When you say it could potentially have  
9 material impact to both entities what do you mean?

10 A. If the accounting of that -- of those  
11 agreements was done incorrectly it would not have  
12 been an insignificant amount of money to both  
13 entities as it relates to that activity.

14 Q. And if the accounting had been done  
15 incorrectly it would have meant -- start over.

16 If the accounting had been done  
17 consistent with your understanding of the way the  
18 agreements were meant to operate based on your  
19 conversations with the people who put the agreements  
20 in place it would have meant more money to ResCap  
21 and less money to Ally, right?

Plaintiff's  
Objection  
52:14-24  
Lack of personal  
knowledge/  
speculative (FRE  
602), lack of  
foundation (FRE  
602, 901);  
impermissible lay  
opinion

22 MR. BROWN: Objection.

23 MR. SIMON: Objection; form.

24 THE WITNESS: Yes.

25 BY MR. COHEN:

1 ADAM GLASSNER

2 Q. And it would have been a material  
3 amount, correct?

4 A. Yes.

5 Q. Do you have a sense of whether if the  
6 accounting had been done consistently with the way  
7 you understood the agreements to operate based on  
8 your conversations with the people who put the  
9 agreements in place it would have required Ally  
10 Financial to restate its financials?

Plaintiffs'  
Objection  
53:5-18  
Lack of  
personal  
knowledge/  
speculative  
(FRE 602),  
lack of  
foundation  
(FRE 602,  
901);  
impermissible  
lay opinion

11 MR. BROWN: Objection.

12 MR. SIMON: Objection to the form.

13 THE WITNESS: I'm not an accountant, but  
14 it was my uninformed and unprofessional opinion  
15 that the material -- the amount could be  
16 material enough that we would have to restate  
17 Ally financial -- Ally Bank's financial  
18 statements, yes.

19 BY MR. COHEN:

20 Q. When you talked to the four or five  
21 people that you raised this issue with, did you tell  
22 them that?

23 MR. BROWN: Objection to form.

24 THE WITNESS: I believe I did.

25 BY MR. COHEN:

1 ADAM GLASSNER

2 Q. What reaction did you get?

3 A. I don't specifically recall.

4 Q. Do you generally recall?

5 A. I generally recall all of the parties  
6 engaging their staffs and other available resources  
7 to them to investigate the issue that I raised and  
8 come to a conclusion.

9 Q. Were you still employed at Ally Bank  
10 when they came to the conclusion?

11 A. I was not.

12 Q. Did you play any role in their  
13 investigation of the issue?

14 A. Previous to my departure I would have  
15 been involved in several conference calls to discuss  
16 the matter.

17 Q. What was discussed during those  
18 conference calls?

19 A. I don't specifically recall.

20 Q. Do you generally recall?

21 A. I generally recall discussing my  
22 understanding of the agreements and how the  
23 agreements were written and outside of that I do  
24 not.

25 Q. Were the people who put the agreements

1 ADAM GLASSNER

2 in place, who explained the agreements to you which  
3 formed the basis of your understanding of the  
4 agreements, also part of those conference calls?

5 A. I believe they were all departed from  
6 the company by that point.

7 Q. Can you remind me specifically who those  
8 people were who put the agreements in place and  
9 explained them to you and gave you your  
10 understanding of the way the agreements were meant  
11 to operate?

Plaintiffs'  
Objection  
55:7-15  
Lack of  
personal  
knowledge/  
speculative  
(FRE 602),  
lack of  
foundation  
(FRE 602,  
901)

12 MR. BROWN: Objection to form.

13 MR. SIMON: Objection to form.

14 THE WITNESS: Bob Groody, Al Celini,  
15 Mark Hales.

16 BY MR. COHEN:

17 Q. And they were all gone by the time you  
18 raised this issue?

19 A. I believe that is the case.

20 Q. In your mind, is there a possibility  
21 that you were confused as to what they told you  
22 about how the agreements were meant to operate?

23 A. I don't believe so.

24 Q. So you were pretty clear that they told  
25 you, these people who put the agreements in place,

Plaintiffs'  
Objection  
55:24-56:7  
Lack of  
personal  
knowledge/  
speculative  
(FRE 602),  
lack of  
foundation  
(FRE 602,  
901)

1 ADAM GLASSNER

2 that this is the way it was supposed to work?

3 MR. SIMON: Objection to form.

4 THE WITNESS: I did not come out of my

5 meeting -- my meetings with them with any

6 confusion of their interpretation of the way

7 the agreements were supposed to work.

8 BY MR. COHEN:

9 Q. And, again, these were the people who  
10 put the agreements in place?

11 MR. SIMON: Objection to form.

12 BY MR. COHEN:

13 Q. You went to the source, right?

14 MR. SIMON: Objection to form.

15 MR. BROWN: Objection to form.

16 THE WITNESS: That is correct.

17 BY MR. COHEN:

18 Q. During these conference calls that --  
19 that you participated in while you were still at the  
20 company as part of the investigation did anybody  
21 tell you that your understanding of the agreement  
22 was wrong?

23 A. I don't specifically recall that  
24 discussion.

25 Q. How about separately from the conference

Plaintiff's  
Objection  
56:9-16  
Lack of personal  
knowledge/  
speculative (FRE  
602), lack of  
foundation (FRE  
602, 901)



1 ADAM GLASSNER

2 calls, did anybody come into your office or pull you  
3 aside and say that that's not what the agreements  
4 provide for?

5 A. I do not recall that happening.

6 Q. After you left the company did anybody  
7 call you and ask for your input as part of the  
8 company's investigation?

9 MR. BROWN: Objection to form.

10 THE WITNESS: Yes.

11 BY MR. COHEN:

12 Q. Who?

13 A. I believe I had a call with a general  
14 auditor and an outside audit firm that they engaged  
15 to do an investigation.

16 Q. When you say "general auditor" who do  
17 you mean?

18 A. I don't remember the name of the firm.

19 Oh. Sorry. Ann Cummings was the  
20 general auditor.

21 Q. And then there was an outside accounting  
22 firm that was also involved?

23 A. That's correct.

24 Q. And you don't recall which firm that  
25 was?

1 ADAM GLASSNER

2 A. It was either KPMG or PWC, but...

3 Q. Okay. What did you discuss with  
4 Ms. Cummings as part of the investigation after you  
5 left the company?

6 A. Other than that call we have -- did not  
7 have any discussions.

8 Q. Okay. During that call. I'm sorry.  
9 During the call -- let me ask a complete question.

10 During the call with Ms. Cummings after  
11 you left the company what was discussed?

12 A. From what I recall, they wanted to  
13 understand my understanding of the agreements and  
14 why I raised the issue.

15 Q. What did you tell her?

16 A. I believe I told her that it was my  
17 understanding that GMAC Mortgage got the gain on  
18 sale, Ally Bank received interest spread during the  
19 period it was held on loans and points and fees paid  
20 in the consumer transaction, along with the market  
21 value risk associated with the pipeline which is  
22 loans held in the books for ultimate sale, and the  
23 MSR was swapped to GMAC Mortgage in return for a  
24 floating rate return based on LIBOR.

25 Q. And that's a conversation you had with

1 ADAM GLASSNER

2 Ms. Cummings after you left Ally Bank, right?

3 A. I believe that was during the interview  
4 as part of their investigation with their outside  
5 auditor.

6 Q. All right. And you had left the bank by  
7 that point in time, right?

8 A. That is correct.

9 Q. But hadn't you already told Ms. Cummings  
10 that in December of 2011 when you were still with  
11 the bank, when you raised the issue with her?

12 MR. BROWN: Objection to form.

13 THE WITNESS: As I previously testified,  
14 I raised this issue to multiple people of which  
15 Ann Cummings was one of them, yes.

16 BY MR. COHEN:

17 Q. So she was essentially asking you to  
18 explain what you had already told her?

19 A. The call involved her and outside -- an  
20 outside auditing firm. It was my interpretation  
21 that that team was trying to do an independent  
22 review and an independent investigation and this was  
23 in an effort to do that.

24 Q. Oh, okay. So it was one call with both  
25 her and the outside firm?

1 ADAM GLASSNER

2 A. That is correct.

3 Q. All right. It wasn't a call with her  
4 and then a separate call with the outside firm?

5 A. No. That is correct.

6 Q. Okay. Other than that call with  
7 Ms. Cummings and the outside auditing firm, after  
8 you left Ally Bank did anyone else reach out to you  
9 as part of their investigation?

10 A. Not that I recall.

11 Q. Before Ally Bank and GMAC Mortgage  
12 reached a conclusion to their investigation as a  
13 result of their investigation did anybody run that  
14 conclusion by you?

15 A. I'm not aware of a conclusion being made  
16 prior to my departure at Ally Bank in January of  
17 2012.

18 Q. Okay. How about after you left Ally  
19 Bank in January of 2012?

20 I believe your testimony was that when  
21 you left the investigation was ongoing, right?

22 A. That's correct.

23 Q. So after you left the bank did anybody  
24 call you and say this is what we think the  
25 conclusion is, what's your reaction to it?

1 ADAM GLASSNER

2 A. No.

3 Q. Okay. So other than that one call with  
4 Ms. Cummings and the firm once you left the bank  
5 that was only -- your only involvement in this  
6 issue, right?

7 A. Outside of the bank -- the examiner's  
8 deposition, yes.

9 Q. Okay. Okay. Do you know whether as  
10 part of its investigation the bank went back to  
11 Mr. Groody, Mr. Celini and Mr. Hales to talk to them  
12 about their understanding of the agreements they put  
13 in place?

14 A. I believe I read within the examiner's  
15 report, which I was provided a copy of, at least  
16 some of those individuals having been interviewed,  
17 but I don't know if the bank had separate interviews  
18 or not.

19 Q. Okay. And did -- who provided you a  
20 copy of the examiner's report?

21 A. I believe it was my counsel.

22 Q. When were you provided a copy of the  
23 examiner's report?

24 A. Some time subsequent to its issuance.

25 Q. Was it over the summer?

1 ADAM GLASSNER

2 A. I don't specifically recall, but I'm  
3 sure it was within several weeks of the examiner's  
4 report being finalized. I don't remember when that  
5 was finalized.

6 Q. All right. Did you read it?

7 A. Portions.

8 Q. You didn't read it cover-to-cover?

9 A. I did not.

10 Q. Did you search for your name in it?

11 A. Yes.

12 Q. Did you read the sections where you were  
13 referenced?

14 A. At a high level, yes.

15 Q. When you say "at a high level" what do  
16 you mean?

17 A. I didn't read it with the desire of  
18 attention to detail that I would a document that I  
19 wanted to have specific recollection or  
20 understanding of because it didn't -- I didn't  
21 believe it had any relevance to me.

22 Q. Was there anything that you read in the  
23 examiner's report where he made reference to you  
24 that -- that you disagreed with?

25 A. I don't specifically -- I don't believe

1 ADAM GLASSNER

2 so.

3 Q. Okay. So where he recapped things that  
4 you told him during your interview in general he got  
5 it right; is that a fair assessment?

6 A. In general, I don't recall any material  
7 missummaries or misstatements in the portions that I  
8 reviewed.

9 Q. Okay. Would you agree that in your Ally  
10 Bank capacity you were responsible for warehouse and  
11 correspondent lending and also became the point of  
12 contact for Ally Bank's mortgage businesses with  
13 both the FDIC and the Utah Department of Financial  
14 Institutions?

15 A. Yes.

16 Q. Would you agree that in your capital  
17 markets function, and this is at ResCap or at GMAC  
18 Mortgage, your responsibilities included pricing for  
19 each of the bank and ResCap loan channels?

20 A. Yes.

21 Q. What were your responsibilities for  
22 pricing each of the bank and ResCap loan channels?

23 A. We established the -- both base pricing  
24 which was sourced from information available to the  
25 capital markets and the targeted mark -- origination

1 ADAM GLASSNER

2 margin that would be achieved upon the sale of the  
3 asset.

4 Q. When you say "base pricing" what do you  
5 mean?

6 A. The price that the market values the  
7 asset at origination. Excuse me.

8 Q. I think you used the phrase origination  
9 margin?

10 A. Yes.

11 Q. What is that?

12 A. That is the expected profit margin,  
13 gross profit margin at origination on any one given  
14 loan that you expect to make when your originator  
15 purchased that loan.

16 Q. So you were responsible within GMAC  
17 Mortgage for a profit margin that it expected to  
18 make when it purchased the loan from Ally Bank?

19 MR. ELBAUM: Objection; form.

20 THE WITNESS: We set profit margins not  
21 at the legal entity level, but at the channel  
22 origination level, so correspondent wholesale  
23 division that Ally Bank also had, along with  
24 the consumer direct, would have had price  
25 expected origination margins set at the



1 ADAM GLASSNER

2 origination or acquisition of those loans.

3 That was not done at a legal entity level, that

4 was done by a channel perspective.

5 BY MR. COHEN:

6 Q. So from a channel perspective the profit  
7 margin was done on -- was targeted on a consolidated  
8 basis?

9 A. It was done in a channel-specific level.  
10 So correspondent would have had its own origination  
11 targeted margin by customer, by product, by coupon,  
12 consumer would have had its own origination by  
13 target margin by the same variables, and the  
14 wholesale would have had its own origination target  
15 margin at -- by those same variables.

16 Q. Okay. And on the consumer channel how  
17 was it determined how that profit margin would be  
18 divided as between Ally Bank and GMAC Mortgage?

19 MR. SIMON: Objection to form.

20 MR. BROWN: Objection to form.

21 THE WITNESS: That would have been done  
22 under finance's interpretation of the various  
23 agreements in place.

24 BY MR. COHEN:

25 Q. And those are the agreements we've been

Plaintiff's  
Objection  
65:25-66:15  
Lack of  
personal  
knowledge/  
speculative  
(FRE 602), lack  
of foundation  
(FRE 602, 901);  
impermissible  
lay opinion

1 ADAM GLASSNER

2 talking about this morning?

3 A. That is correct.

4 Q. And it was your understanding that the  
5 division of that profit on the consumer channel was  
6 being done incorrectly as of the time you left the  
7 company, right?

8 MR. BROWN: Objection to form.

9 THE WITNESS: At the time I left the  
10 company I had raised an issue that the  
11 financials as I saw them on a legal entity  
12 basis were inconsistent with my understanding  
13 of the agreements and that I asked the finance  
14 departments of both to investigate that and to  
15 ensure that it was accurate.

16 BY MR. COHEN:

17 Q. From the time that you raised the issue  
18 until your last day at the company, approximately  
19 how many weeks passed?

20 A. Somewhere between 10 and 16.

21 Q. And in that 10 and 16 weeks, to your  
22 understanding, neither ResCap nor Ally Bank were  
23 able to answer the question as to how the profits in  
24 the consumer loan channel were to be divided between  
25 those entities?

1 ADAM GLASSNER

2 MR. SIMON: Objection to form.

3 THE WITNESS: I was unaware at the point  
4 of my departure if they had come to a  
5 definitive answer in regard to the questions  
6 that I raised.

7 BY MR. COHEN:

8 Q. Did that strike you as odd?

9 MR. BROWN: Objection to form.

10 THE WITNESS: It did not.

11 BY MR. COHEN:

12 Q. Why not?

13 A. It's a fairly complex issue, involving a  
14 variety of legal documents that were drafted by  
15 people who were no longer at the company and  
16 administered by people that didn't draft them, I  
17 believe they were doing a thorough analysis and  
18 given the holiday periods that we covered here,  
19 including Thanksgiving and Christmas and New Year's,  
20 it didn't surprise me that upon my departure they  
21 had not come to a definitive conclusion.

22 Q. Do you agree that you resigned on  
23 January 3rd, 2012 but were asked to stay on until  
24 January 26th, 2012?

25 A. Yes.

1 ADAM GLASSNER

2 Q. Do you have an understanding as to why  
3 you were asked to stay until January 26th, 2012?

4 A. Barbie Gaston, who was the president and  
5 CEO of Ally Bank, asked me to stay on for -- for an  
6 extended transition period and out of respect for  
7 her I obligated or I fulfilled her request.

8 Q. So the idea was to give someone time to  
9 come up-to-speed in your responsibilities?

10 A. That is correct.

11 Q. Okay.

12 MR. COHEN: Take about a five-minute  
13 break.

14 MR. BROWN: Sure.

15 MR. ELBAUM: Sure.

16 THE VIDEOGRAPHER: The time on the  
17 monitor is approximately 10:11 and this is the  
18 end of tape number one and we're off the  
19 record.

20 (Recess in Proceedings).

21 THE VIDEOGRAPHER: This is the beginning  
22 of tape number two in the deposition of Adam  
23 Glassner. The time on the monitor is  
24 approximately 10:31 a.m. and we're back on the  
25 record.

1 ADAM GLASSNER

2 BY MR. COHEN:

3 Q. Mr. Glassner, before the break I believe  
4 you testified that it was your understanding of the  
5 way the profits for consumer mortgages were to be  
6 split between GMAC Mortgage and the bank was that  
7 GMAC Mortgage was to receive the gain on sale; is  
8 that correct?

9 A. That's correct.

10 Q. What do you mean by "gain on sale"?

11 A. It was my understanding that the gain  
12 associated with the sale of the loan into the  
13 capital markets over the acquired cost of the loan  
14 would go to GMAC Mortgage.

15 Q. How would the acquired cost of the loan  
16 be calculated?

17 A. The finance team would have been  
18 responsible for that.

19 Q. Do you have a general understanding of  
20 what went into that calculation?

21 A. Yes.

22 Q. Could you explain that, please?

23 A. It would include, in the case of a  
24 correspondent loan, the price paid for that  
25 residential loan and any associated costs that were

1 ADAM GLASSNER

2 included in the accounting treatment of that asset  
3 and any consumer loan transaction or broker  
4 transaction, any direct costs associated with the  
5 origination of that loan.

6 Q. And when you say "direct costs" what do  
7 you mean?

8 A. Any costs that were specific to that  
9 transaction that you came out-of-pocket for which  
10 could include certain things like title and flood  
11 and other consumer-related activities.

12 Q. So those costs are actual cash  
13 expenditures?

14 A. I believe that's true, yes.

15 Q. Okay. And when you say "price paid for  
16 the loan," how would the price paid for the loan be  
17 determined?

18 A. It would be the price associated that  
19 Ally Bank in its correspondent division agreed to  
20 pay the seller of that loan at the point of trade.

21 Q. Okay. And that's an actual  
22 out-of-pocket as well?

23 A. That is correct.

24 Q. Okay. Was one of the concerns you  
25 raised when you talked to the people at ResCap and

1 ADAM GLASSNER

2 Ally in December of 2011 that not only would -- was  
3 there the potential that the bank had overstated its  
4 earnings, were you also concerned that the bank, if  
5 it had overstated its earnings, also was -- reported  
6 -- reported inflating capital?

7 A. Yes, those would go hand-in-hand with  
8 each other. Yes.

9 Q. Why would they go hand-in-hand with each  
10 other?

11 A. If you have earnings that you decide to  
12 retain those retained earnings would go into the  
13 equity capital of your institution.

14 It's my understanding that in that case  
15 if you had earnings that were higher than should  
16 have been you would have also had higher capital and  
17 you would have reported that to your various  
18 regulators.

19 Q. At the time you raised these concerns in  
20 December of 2011 was capital an issue at Ally Bank?

21 MR. BROWN: Objection to form.

22 THE WITNESS: I don't completely  
23 understand the question.

24 BY MR. COHEN:

25 Q. In December of 2011 -- well, let's back

Plaintiffs'  
Objection  
71:19-72:13  
Irrelevant  
(FRE 401,  
402), lack of  
personal  
knowledge/  
speculative  
(FRE 602),  
lack of  
foundation  
(FRE 602,  
901)

1 ADAM GLASSNER

2 up.

3 Was Ally Bank a recipient of TARP funds?

4 A. No.

5 Q. It did not receive any TARP funds?

6 A. Ally Bank did not receive TARP funds.

7 Q. Did AFI receive TARP funds?

8 A. Yes.

9 Q. Were certain of those TARP funds used to  
10 support the capital at Ally Bank?

11 MR. BROWN: Objection to form.

12 THE WITNESS: I do not believe so, but I  
13 do not know for certain.

14 BY MR. COHEN:

15 Q. Okay. If your interpretation of the  
16 contract, based on the understanding you obtained  
17 from the people who put the contract in place were  
18 correct, would that have had a material impact on  
19 the reported capital at Ally Bank?

Plaintiffs'  
Objection  
72:15-73:6  
Lack of personal  
knowledge/  
speculative (FRE  
602), lack of  
foundation (FRE  
602, 901);  
impermissible lay  
opinion

20 MR. BROWN: Objection to form.

21 THE WITNESS: It was my opinion that the  
22 potential -- if it was being accounted for  
23 incorrectly that could happen, yes.

24 BY MR. COHEN:

25 Q. So it could have had a material impact



1 ADAM GLASSNER

2 on reported capital of the bank?

3 A. Yes.

4 Q. And that's an issue that they would have  
5 had to take up with the regulators, correct?

6 A. Yes.

7 Q. Other than raising the issue with the  
8 people that you identified before the break in  
9 December of 2011, did you do any investigation of  
10 your concern yourself?

11 A. Yes.

12 Q. What did you do?

13 A. I re-read the various agreements,  
14 attempted to look at the financials on a historical  
15 basis and had accidentally come across a working  
16 document that had been created prior to my arrival  
17 and reviewed that.

18 Q. What was that working document, do you  
19 recall?

20 A. It was a hard copy of a PowerPoint  
21 presentation done some time prior to that that was  
22 in a folder by a person next to me who was throwing  
23 papers away.

24 Q. Who was the person next to you throwing  
25 papers away?

1 ADAM GLASSNER

2 A. I believe it was Martha Tate.

3 Q. Okay. Give me a second here. I think  
4 we have a document we can show you.

5 A. No problem.

6 MR. COHEN: Would you mark that as  
7 Glassner 1.

8 (THEREUPON, Glassner Exhibit 1 was  
9 marked for identification).

10 BY MR. COHEN:

11 Q. Mr. Glassner, the reporter has handed  
12 you a document which has been marked Glassner 1.  
13 It's titled Brokering Consumer Loans to Bank  
14 Project, (BCL2B), dated November 19th, 2008 and it  
15 has the Bates number EXAM 75395 through 75495.  
16 Would you take a moment to review this document.

17 A. Okay.

18 Q. Is Glassner Exhibit 1 the Brokering  
19 Consumer Loans to Bank Project PowerPoint the  
20 PowerPoint you were just testifying about?

21 A. I believe it is.

22 Q. And after reviewing this PowerPoint as  
23 part of your own investigation in December 2011 did  
24 you reach a conclusion as to whether this was  
25 consistent or inconsistent with your view of the

1 ADAM GLASSNER

2 contract?

3 A. I believe this PowerPoint was consistent  
4 with my high level understanding of the various  
5 agreements and how they work, yes.

6 Q. And, to be clear, this is a PowerPoint  
7 that was created before you joined the bank, right?

8 A. That is correct.

9 Q. And at the time you joined the bank the  
10 contract was already in place, right?

11 A. That is correct.

12 Q. And at the time you joined the bank the  
13 people who put the contract in place explained to  
14 you their understanding of how the contract was  
15 supposed to work which was consistent with this  
16 PowerPoint, Glassner Exhibit 1, right?

17 A. That is correct.

18 Q. Okay. In January of 2012 when you were  
19 leaving the company did someone ask you to sign a  
20 Sarbanes-Oxley certification?

21 A. I was asked to sign a sub certification  
22 regarding the CFO's Sarbanes-Oxley statement for  
23 Ally Bank on a frequent basis and I believe that did  
24 happen as a request in November of 2011.

25 Q. What were you being asked to sub

1 ADAM GLASSNER

2 certify?

3 A. That the business activities that I was  
4 responsible for within Ally Bank were correct.

5 Q. What do you mean "the business  
6 activities were correct"?

7 A. I don't remember the specific list of  
8 items that were in the sub certification provided to  
9 the CFO, but they were there to provide comfort to  
10 the CFO that the business activities that all of the  
11 business leaders were responsible for, that they  
12 were unaware of any errors.

13 Q. Did you sign that sub certification?

14 A. I did not.

15 Q. Why not?

16 A. I departed before it was due; I didn't  
17 feel appropriate given the open issue that I had  
18 raised that had not been resolved.

19 Q. Okay. When was it due?

20 A. I don't specifically recall, but it was  
21 due after my resignation date.

22 Q. When -- are you familiar with the term  
23 fair value accounting?

24 A. Yes.

25 Q. What is your understanding of what fair

1 ADAM GLASSNER

2 value accounting is?

3 A. It's my basic understanding that fair  
4 value accounting attempts to carry assets at the  
5 fair market value associated with that asset.

6 Q. Are you familiar with the term lower of  
7 cost or market?

8 A. Yes.

9 Q. What is your understanding of lower of  
10 cost or market?

11 A. It would be the carrying value of an  
12 asset that would be held at the lesser of the costs  
13 associated with acquiring that asset or the current  
14 market value.

15 Q. At the time you left the bank in January  
16 of 2012 did you have a view as to whether the  
17 agreements called for the division of profits in the  
18 consumer loan channel to be allocated on the basis  
19 of fair value accounting?

20 MR. ELBAUM: Objection.

21 MR. BROWN: Objection to form.

22 THE WITNESS: It's my high level  
23 understanding that the agreements don't address  
24 the accounting of those instruments and simply  
25 address defined terms within the agreement.

Plaintiffs'  
Objection  
77:15-78:17  
Lack of  
personal  
knowledge/  
speculative  
(FRE 602),  
lack of  
foundation  
(FRE 602,  
901);  
impermissi-  
ble lay  
opinion

1 ADAM GLASSNER

2 I do not recall a specific reference to  
3 the accounting treatment of the loans.

4 BY MR. COHEN:

5 Q. Is it your view that the -- the division  
6 of profits under the agreements could be something  
7 different than the way they were accounted for on  
8 the books and records of ResCap and Ally Bank?

9 MR. ELBAUM: Objection to form.

10 THE WITNESS: My high level  
11 understanding of the agreements, when I saw the  
12 division of profits between the two entities of  
13 the origination business caused me to inquire  
14 to our finance departments to investigate that  
15 because it was -- it appeared to be  
16 inconsistent with my high level understanding  
17 of those agreements.

18 BY MR. COHEN:

19 Q. And your high level understanding of  
20 those agreements came from your own review of the  
21 agreements and your conversations with the people  
22 who put those agreements in place, correct?

23 A. That is correct.

24 MR. BROWN: Objection to form.

25 THE WITNESS: That is correct.

Plaintiffs'  
Objection  
78:19-23  
Lack of personal  
knowledge/  
speculative (FRE  
602), lack of  
foundation (FRE  
602, 901)

1 ADAM GLASSNER

2 BY MR. COHEN:

3 Q. With respect to the mortgages that were  
4 brokered from GMAC Mortgage to Ally Bank, did the  
5 bank have hedge risk on those mortgages?

6 MR. BROWN: Objection to form.

7 THE WITNESS: It did not.

8 BY MR. COHEN:

9 Q. What do you understand hedge risk to be?

10 A. Hedge risk is associated with the value  
11 of an interest rate rock -- lock for a loan held for  
12 the ultimate disposition into capital markets that  
13 can be impacted by market changes or consumer  
14 behavior changes in those loans or interest rate  
15 locks.

16 Q. As between GMAC Mortgage and Ally Bank  
17 who bore the hedge risk?

18 A. It's my understanding that GMAC Mortgage  
19 bet -- bore that risk via the pipeline swap.

20 Q. Is it your understanding with respect to  
21 the mortgages that were brokered by GMAC Mortgage to  
22 Ally Bank that the bank had eligibility risk?

23 A. Can you state that again?

24 Q. Sure.

25 Is it your understanding that with

Plaintiffs'  
Objection  
79:2-7  
Lack of  
personal  
knowledge/  
speculative  
(FRE 602),  
lack of  
foundation  
(FRE 602, 901)

Plaintiffs'  
Objection  
79:16-80:9  
Lack of  
personal  
knowledge/  
speculative  
(FRE 602),  
lack of  
foundation  
(FRE 602, 901)

1 ADAM GLASSNER

2 respect to the mortgages that were brokered by GMAC  
3 Mortgage to Ally Bank that were subject to the  
4 agreements we've been talking about that the bank  
5 bore eligible -- eligibility risk?

6 MR. BROWN: Objection to form.

7 THE WITNESS: No, I don't -- I don't  
8 believe it's my understanding that the bank  
9 bore eligibility -- eligibility risk.

10 BY MR. COHEN:

11 Q. What is eligibility risk?

12 A. Eligibility risk would be loans that are  
13 originated that are subsequently deemed ineligible  
14 for sale or securitization to capital markets  
15 investors.

16 Q. With respect to the loans that were  
17 brokered by GMAC Mortgage to Ally Bank, who bore  
18 eligibility risk?

19 A. It was my understanding that that was  
20 GMAC Mortgage.

21 Q. With respect to the loans that were  
22 brokered by GMAC Mortgage to Ally Bank, is it your  
23 understanding that the bank bore default risk?

24 A. No.

25 Q. With respect to those loans who did bear

Plaintiffs'  
Objection  
80:16-20  
Lack of personal  
knowledge/  
speculative (FRE  
602), lack of  
foundation (FRE  
602, 901)

Plaintiffs'  
Objection  
80:25-81:3  
Lack of  
personal  
knowledge/  
speculative  
(FRE 602),  
lack of  
foundation  
(FRE 602, 901)



1 ADAM GLASSNER

2 the default risk?

3 A. GMAC Mortgage.

4 Q. Did the fact that the bank didn't have  
5 hedge risk, eligibility risk or default risk impact  
6 your opinion on who should be obtaining as between  
7 Ally Bank and GMAC Mortgage the gain on sale for  
8 premium pricing income?

9 MR. BROWN: Objection.

10 MR. ELBAUM: Objection to form.

11 MR. BROWN: Objection to form.

12 THE WITNESS: Those factors were

13 consistent with how I understood the agreements  
14 to work as provided to me upon my hire at the  
15 company and they fell consistent with what I  
16 understood the agreements executed.

17 BY MR. COHEN:

18 Q. When you say they "were consistent with  
19 how I understood the agreements to work" what do you  
20 mean?

21 A. It was my understanding that those risks  
22 were associated with the various aspects of the  
23 agreements that we've discussed previously covered  
24 which was transferred to GMAC Mortgage.

25 Q. And to what extent, if any, did that

Plaintiffs'  
Objection  
81:4-16  
Lack of  
personal  
knowledge/  
speculative  
(FRE 602),  
lack of  
foundation  
(FRE 602,  
901);  
impermissible  
lay opinion

Plaintiffs'  
Objection  
81:25-82:7  
Lack of  
personal  
knowledge/  
speculative  
(FRE 602),  
lack of  
foundation  
(FRE 602,  
901);  
impermissible  
lay opinion

1 ADAM GLASSNER

2 impact your opinion on who should be obtaining the  
3 gain on sale or premium pricing income?

4 MR. BROWN: Objection to form.

5 THE WITNESS: It was my understanding at  
6 a high level that the agreements laid out that  
7 GMAC Mortgage received the gain on sale.

8 BY MR. COHEN:

9 Q. During your time at Ally Bank and in the  
10 Capital Markets Group at GMAC Mortgage did you have  
11 any responsibility for overseeing compliance with  
12 Regulation W?

13 A. I did not.

14 Q. Do you know what Regulation W is?

15 A. I do.

16 Q. What is Regulation W?

17 A. It's a bank holding company law and it  
18 involves affiliated transactions within bank holding  
19 companies.

20 Q. And in general can you tell me what  
21 Regulation W provides for?

22 MR. BROWN: Objection to form.

23 THE WITNESS: In general, it provides  
24 the rules that affiliates may transact under  
25 and in certain circumstances where they cannot

Plaintiffs'  
Objection  
82:20-83:21  
Lack of  
personal  
knowledge/  
speculative  
(FRE 602), lack  
of foundation  
(FRE 602, 901);  
impermissible  
lay opinion

1 ADAM GLASSNER

2 transact.

3 BY MR. COHEN:

4 Q. Did you have a view as to whether your  
5 understanding of the brokering agreements that we've  
6 been talking about were compliant with Regulation W?

7 MR. ELBAUM: Objection to form.

8 THE WITNESS: It was my understanding  
9 from discussions with the people who were  
10 responsible for analysis of that that these  
11 agreements were consistent with Reg W and  
12 compliant.

13 BY MR. COHEN:

14 Q. Did you have your own view, given your  
15 roles above Ally Bank and GMAC Mortgage, as to  
16 whether your understanding of the agreement was  
17 fair?

18 MR. BROWN: Objection to form.

19 THE WITNESS: It was my opinion that --  
20 as I understood the agreements, that they were  
21 fair.

22 BY MR. COHEN:

23 Q. Did you have an opinion as to whether --  
24 once you discovered the way these agreements were  
25 being accounted for, did you have an opinion as to

1 ADAM GLASSNER

2 whether that interpretation of the agreement was  
3 fair?

4 MR. ELBAUM: Objection.

5 MR. BROWN: Objection to form.

6 THE WITNESS: I don't specifically  
7 recall doing an assessment that if they were  
8 accounted for inconsistently with my  
9 understanding of that, if that was true, that  
10 if that was fair. I don't recall doing any  
11 specific analysis in that matter.

12 BY MR. COHEN:

13 Q. So you never formed an opinion in that  
14 matter?

15 A. I believe that's correct.

16 Q. Did you have a view as to whether the  
17 broker fees that Ally Bank was -- was paying to GMAC  
18 Mortgage were at or below market?

19 A. I don't specifically recall forming an  
20 opinion of that.

21 Q. During the time the -- I think you said  
22 it was 10 to 16 weeks when you first raised your  
23 concerns regarding the way the profits from the  
24 consumer loans were being divided as between GMAC  
25 Mortgage and Ally Bank, to the time you left, did

1 ADAM GLASSNER

2 anybody show you any documents that would have  
3 supported the way the bank was accounting for these  
4 transactions?

5 MR. BROWN: Objection to form.

6 THE WITNESS: I do not recall any  
7 specific documentation that would have support  
8 either side of that so the only documents that  
9 I recall reviewing would have been the  
10 agreements and the PowerPoint labeled Exhibit 1  
11 that had been provided to me.

12 BY MR. COHEN:

13 Q. And -- and you testified that the  
14 PowerPoint, Glassner Exhibit 1, was consistent with  
15 your understanding of the document?

16 MR. BROWN: Objection to form.

17 BY MR. COHEN:

18 Q. Of the agreements, correct?

19 A. That is correct.

20 Q. Did anybody show you any documents that  
21 was consistent with the interpretation that was  
22 being applied at the bank during that 10 to 16-week  
23 period?

24 MR. BROWN: Objection to form; asked and  
25 answered, vague.

1 ADAM GLASSNER

2 THE WITNESS: As I testified, I don't  
3 recall during that 10 to 16-week period any new  
4 documents being provided to me in regard to  
5 interpretation on either side.

6 BY MR. COHEN:

7 Q. Okay. During that 10 to 16-week period,  
8 did anybody who was responsible for putting the  
9 agreements in place come to you and say your  
10 understanding of the way these agreements are meant  
11 to operate is wrong, I put them in place and this is  
12 the way they're supposed to work?

13 MR. BROWN: Objection to form.

14 THE WITNESS: I do not recall that  
15 conver -- anything of that.

16 MR. COHEN: Okay. We'll pass the  
17 witness.

18 MR. BROWN: Could we take a short break?

19 MR. COHEN: Sure.

20 THE VIDEOGRAPHER: The time on the  
21 monitor is approximately 10:55 a.m. and we're  
22 off the record.

23 (Recess in Proceedings).

24 THE VIDEOGRAPHER: The time on the  
25 monitor is approximately 11:07 a.m. and we're

1 ADAM GLASSNER

2 back on the record.

3 EXAMINATION

4 BY MR. BROWN:

5 Q. Mr. Glassner, good morning. My name is  
6 Judson Brown, I'm an attorney with Kirkland & Ellis  
7 representing Ally in this matter.

8 I'm going to be asking you a few more  
9 questions. Okay?

10 A. Yes.

11 Q. Mr. Glassner, earlier today you  
12 testified that you were retained or that you  
13 retained Mr. Elbaum approximately 20 to 24 months  
14 ago. Do you recall that testimony?

15 A. I do recall stating approximately 20 to  
16 24 months ago, yes.

17 Q. Now, Mr. Glassner, approximately 20 to  
18 24 months ago you were still an employee of Ally  
19 Bank at that time, correct? In late 2011.

20 A. That's correct.

21 Q. Did you retain Mr. Elbaum while you were  
22 an employee of Ally Bank?

23 A. I did not.

24 Q. Do you recall approximately when you  
25 retained Mr. Elbaum?

1 ADAM GLASSNER

2 A. It would have been some time after my  
3 departure at -- from Ally Bank, but I do not recall.

4 Q. Why is it that you retained Mr. Elbaum?

5 A. I believe it was in regard to the ResCap  
6 examiner's investigation.

7 Q. Mr. Glassner, you testified that you  
8 joined the bank in approximately March or April of  
9 2009; is that correct?

10 A. That is correct.

11 Q. At the time that you joined Ally Bank  
12 what agreements were in place between Ally Bank and  
13 GMAC Mortgage?

14 MR. COHEN: Objection; vague and  
15 overbroad.

16 THE WITNESS: I am aware there were a  
17 whole bunch of agreements, I am aware of at  
18 least three.

19 BY MR. BROWN:

20 Q. What are those three?

21 A. A broker agreement, the HFS or pipeline  
22 swap, and the MSR swap.

23 Q. Mr. Cohen asked you about an MMLPSA. Do  
24 you recall that?

25 A. I do.



1 ADAM GLASSNER

2 Q. Was there an MMLPSA in place between the  
3 bank and GMAC Mortgage at the time you joined the  
4 bank?

5 A. I believe there was.

6 Q. Were you involved in negotiating the  
7 broker agreement, Mr. Glassner?

8 A. I do not believe I was.

9 Q. Were you involved in drafting the broker  
10 agreement?

11 A. I do not believe I was.

12 Q. Were you involved in negotiating the  
13 pipeline swap, Mr. Glassner?

14 A. I do not believe I was.

15 Q. Were you involved in drafting the terms  
16 of the pipeline swap?

17 A. I do not believe I was.

18 Q. Were you involved in negotiating the MSR  
19 swap?

20 A. Only to the extent of the request of the  
21 FDIC that we review the current pricing in context  
22 of concerns that they had raised on affiliate  
23 transactions.

24 Q. When was that?

25 A. Some time during the second half of my

1 ADAM GLASSNER

2 tenure. I don't recall the specific dates.

3 Q. What was the specific issue that the  
4 FDIC raised?

5 A. The FDIC was concerned that the  
6 transaction was not at market or better and an  
7 extensive analysis was done and third parties were  
8 engaged to provide them comfort that we believe that  
9 it was.

10 Q. What do you mean by that, that the  
11 transaction was not at market or better?

12 A. For any affiliated -- it's my  
13 understanding within Reg W for any affiliated  
14 transactions to be compliant they need to be at  
15 market or better for the bank.

16 Q. So what was the FDIC's concern with  
17 respect to the MSR swap?

18 A. From what I recall, they were concerned  
19 that it was not compliant with Reg W in the sense  
20 that it was not at market or better.

21 Q. Meaning, the bank had below market  
22 terms?

23 A. Yes.

24 Q. By that do you mean that the bank was  
25 receiving a rate under the MSR swap that was below

1 ADAM GLASSNER

2 market terms for an entity in the bank's position?

3 A. That was the FDIC's concerns.

4 Q. In other words, that GMAC Mortgage was  
5 paying a below market rate to the bank?

6 A. That is what the FDIC voiced in their  
7 concerns, yes.

8 Q. Other than being involved in the  
9 negotiations concerning the pricing under the MSR  
10 swap, were you involved in any other negotiations of  
11 the MSR swap?

12 A. I was not.

13 Q. Were you involved in drafting any  
14 language of the MSR swap?

15 A. I was not.

16 Q. Were you involved in negotiating the  
17 MMLPSA that was in place when you joined the bank?

18 A. I was not.

19 Q. Were you ever involved in negotiating an  
20 MMLPSA between the bank and GMAC Mortgage?

21 A. Not that I recall.

22 Q. Were you involved in drafting an MMLPSA  
23 that was -- strike that.

24 Were you ever involved in drafting the  
25 terms of an MMLPSA in place between the bank and

1 ADAM GLASSNER

2 GMAC Mortgage?

3 A. Not that I recall.

4 Q. You do not know -- strike that.

5 Mr. Glassner, do you know based on  
6 firsthand knowledge the parties' intent with respect  
7 to the MMLPSA?

8 A. I had an operating understanding of the  
9 way the agreements were intended to work from the  
10 three previous parties that I've testified to.

11 Q. And who were those three parties?

12 A. Bob Groody, Al Celini and Mark Hales.

13 Q. You don't have an understanding of the  
14 intent of the parties based on your involvement in  
15 negotiating any of those agreements, correct?

16 MR. COHEN: Object to the form.

17 THE WITNESS: The only understanding I  
18 had was what they explained to me and I took  
19 away from is the -- the way -- what the  
20 agreements -- functionally each party was  
21 desired to have a result of.

22 BY MR. BROWN:

23 Q. Mr. Glassner, which agreement between  
24 Ally Bank and GMAC Mortgage sets or includes the  
25 terms that set the price GMAC Mortgage would pay to

1 ADAM GLASSNER

2 Ally Bank when it purchased a loan from Ally Bank?

3 MR. COHEN: Object to the form.

4 THE WITNESS: I don't -- do not recall

5 which specific document that is referenced.

6 BY MR. BROWN:

7 Q. Do you recall which agreement that is  
8 referenced in?

9 A. I do not.

10 Q. So you're not offering an interpretation  
11 of that contract here today, are you?

12 A. I don't recall which agreement houses  
13 the various definitions from a -- from a operating  
14 perspective. I understood at a high level the way  
15 that the three agreements interacted in its totality  
16 along with the explanations provided to me by people  
17 who were involved with drafting them prior to my  
18 arrival.

19 Q. And those three agreements were the  
20 broker agreement, the pipeline swap and the MSR  
21 swap?

22 A. That's correct.

23 Q. And the agreements you discussed that  
24 were with Mr. Celini, Mr. Groody and Mr. Hales?

25 A. That's correct.

1 ADAM GLASSNER

2 Q. Now, Mr. Glassner, you are not a lawyer,  
3 are you?

4 A. I am not.

5 Q. You are not an accountant also, are you?

6 A. I am also not an accountant.

7 Q. Are you familiar with FAS 91 accounting,  
8 Mr. Glassner?

9 A. At a very high level, yes.

10 Q. Would it be correct, Mr. Glassner, that  
11 you have no knowledge -- strike that.

12 What is your high level understanding of  
13 FAS 91?

14 A. It's a -- an announcement of accounting  
15 standards that applies to the way origination costs  
16 and loans are held on balance sheet.

17 Q. What do you mean by that?

18 A. It's a statement that describes from the  
19 Federal Accounting Standards Board, also know as  
20 FASB, that attempts to clarify the way from my  
21 understanding of loan origination expenses are  
22 treated into regards of the value of the loan and  
23 the way that that loan is carried on balance sheet.

24 Q. Do you know the details that FAS 91 sets  
25 forth concerning those accounting entries?

1 ADAM GLASSNER

2 A. I do not.

3 Q. Other than that high level

4 understanding, is it correct that your knowledge of

5 FAS 91 is effectively zero?

6 A. Yes.

7 MR. COHEN: Object to the form.

8 BY MR. BROWN:

9 Q. Mr. Glassner, are you familiar with the  
10 typical revenues that an originator receives when  
11 originating a loan?

12 A. Yes.

13 Q. What are those?

14 A. Origination fees, points charged to the  
15 consumer, gain on sale and interest rate carry --  
16 and interest rate carry.

17 Q. Points charged to the consumer,  
18 origination fees, interest rate carry and gain on  
19 sale; is that correct?

20 A. That is correct.

21 Q. What do you mean by "gain on sale" in  
22 that context?

23 A. The amount associated that recognized  
24 upon the sale of a loan that was either originated  
25 or purchased.

1 ADAM GLASSNER

2 Q. So I'm talking about the typical  
3 revenues of an originator right now, I want to  
4 understand what those typical revenues are so how --  
5 what is the gain on sale that you're referring to in  
6 that context?

7 A. It would be the revenue associated with  
8 the sale of the loan upon sale.

9 Q. Or securitization?

10 A. Securitization is a form of a sale, yes.

11 Q. Okay. Are you familiar with  
12 origination-related income?

13 A. I don't understand the question.

14 Q. Okay. You're not familiar with  
15 origination-related income?

16 A. I don't understand what origination  
17 income means in the context of your question.

18 Q. Okay. Are you familiar with fee income?

19 A. I have an interpretation of what fee  
20 income is, yes.

21 Q. What's your interpretation of fee  
22 income?

23 A. Fee income would be income received as  
24 part of a transaction that is not at risk, it's paid  
25 as a fee.



1 ADAM GLASSNER

2 Q. With respect to origination of mortgage  
3 loans what would that fee income include?

4 A. One potential example of a fee income  
5 might be an origination fee charged to a consumer.

6 Q. Would fee income include any other  
7 income?

8 A. It could include a variety of other  
9 income associated with the transaction.

10 Q. Such as what?

11 A. I think there's a pretty extensive list,  
12 but any fee charged to -- to a consumer that is more  
13 than the cost associated with that tran -- with that  
14 service would be considered as fee income.

15 Q. Okay. Can you give me some examples?

16 A. Origination fee, appraisal fee, title  
17 search, Fed Ex fee, doc prep fee, underwriting fee.  
18 And I am certain there are others.

19 Q. Okay. You just can't think of them now?

20 A. In a mortgage transaction you're allowed  
21 to charge fees associated with a whole variety of  
22 activities as long as they are disclosed.

23 Q. Are you also familiar with the typical  
24 expenses of an originator?

25 A. Yes.

1 ADAM GLASSNER

2 Q. What are those?

3 A. Commission income, underwriting  
4 expenses, processing expenses, funding expenses,  
5 fixed overhead. And I am sure there are other  
6 expenses associated with that, but those would be  
7 the main ones.

8 Q. Do you understand when the broker  
9 arrangement between the bank and GMAC Mortgage was  
10 implemented?

11 MR. COHEN: Object to the form; vague.

12 BY MR. BROWN:

13 Q. Strike that.

14 Mr. Glassner, do you understand when  
15 GMAC Mortgage began brokering loans into the bank?

16 MR. COHEN: Object to the form.

17 THE WITNESS: The only thing I could say  
18 for certain, it was prior to my arrival at Ally  
19 Bank.

20 BY MR. BROWN:

21 Q. Do you know whether GMAC Mortgage ever  
22 originated and funded loans itself?

23 A. I believe it did.

24 Q. Okay. When GMAC Mortgage would  
25 originate and fund a loan who would bear the

1 ADAM GLASSNER

2 expenses related to origination you just identified?

3 A. As I wasn't present at the company  
4 during that time of activity and wasn't responsible  
5 for it because I wasn't there I couldn't answer that  
6 definitively.

7 Q. After GMAC Mortgage began brokering  
8 loans to the bank which party bore the expenses  
9 related to originating loans?

10 A. It's my understanding on the loans that  
11 were brokered to the bank from -- by GMAC Mortgage  
12 GMAC Mortgage would have borne -- would have borne  
13 the expenses associated with origination of those  
14 loans.

15 Q. Who bore the underwriting expenses?

16 A. I believe it was GMAC Mortgage.

17 Q. And what's that understanding based on?

18 A. My high level understanding of the way  
19 that the consumer division was run out of ResCap.

20 Q. You discussed two different accounting  
21 methodologies earlier in your testimony, fair value  
22 and lower of cost or market. Do you remember that?

23 A. I do.

24 Q. I am going to ask you about another one.  
25 Are you familiar with hedge accounting?

1 ADAM GLASSNER

2 A. At a high level, yes.

3 Q. What's your understanding?

4 A. Hedge accounting would involve an asset  
5 that is on your books and the hedge associated with  
6 that and that the way the pricing changes and  
7 resulting accounting entries would result -- would  
8 occur on those two instruments on a combined basis.

9 Q. What do you mean by that?

10 A. Hedge accounting in my understanding  
11 treats the hedge associated with an asset and the  
12 change in value of that hedge and the change in  
13 value of that asset in a combined transaction to  
14 result a net result and there are certain accounting  
15 thresholds necessary for hedge accounting to be  
16 permitted.

17 Q. I want to take a minute and look at  
18 Glassner Exhibit 1. Do you have that, Mr. Glassner?

19 A. I do.

20 Q. This is the banker and consumer loans  
21 that you reviewed in late 2011; is that correct?

22 A. That is correct.

23 Q. Were you involved in preparing this  
24 presentation, Mr. Glassner?

25 A. I was not.

1 ADAM GLASSNER

2 Q. Do you know who was?

3 A. I do not know.

4 Q. When was the first time you reviewed  
5 this presentation, Mr. Glassner?

6 A. Late 2011.

7 Q. The presentation is dated November 19th,  
8 2008. Do you see that?

9 A. I do.

10 Q. Did you review this presentation on or  
11 around November 19th, 2008?

12 A. I was not employed by Ally Bank at that  
13 point.

14 Q. Do you know who did review this  
15 presentation on or around November 19th, 2008?

16 A. I do not.

17 Q. Do you know whether this presentation  
18 reflects the final terms of the agreement between  
19 Ally Bank and GMAC Mortgage with respect to the  
20 brokering project?

21 A. I do not.

22 Q. Let's turn to page 4, it's entitled  
23 Summary. Let me know when you're there.

24 A. I am there.

25 Q. At the top it says, "GMAC Mortgage

1 ADAM GLASSNER

2 broker will have a brokering relationship with GMAC  
3 bank lender."

4 Do you see that?

5 A. I do.

6 Q. And there are certain points summarized  
7 below that. Do you see that?

8 A. I do.

9 Q. Are those items consistent with your  
10 high level understanding of the parties  
11 relationship?

12 A. Generally, yes.

13 Q. What do you mean "generally"?

14 A. It was my high level understanding that  
15 the underwriting expenses described in 4 and in 5  
16 were borne by GMAC Mortgage.

17 Q. This document reflects otherwise; is  
18 that correct?

19 A. Bullet point 4 would appear to indicate  
20 that the underwriting expenses would be borne by  
21 GMAC Mortgage or by GMAC Bank, excuse me.

22 Q. With respect to the revenues received by  
23 GMAC Bank, is this document consistent with your  
24 high level understanding of those revenues?

25 A. It is.

1 ADAM GLASSNER

2 Q. And that understanding is that Ally Bank  
3 would receive points, fees and net interest carry?

4 A. Along with the broker fee.

5 I'm sorry, would expense the broker fee,  
6 yes.

7 Q. So the revenues would be points, fees  
8 and net interest carry?

9 A. That is correct.

10 MR. BROWN: I don't have anything  
11 further at this time.

12 MR. SIMON: I don't have anything.

13 MR. COHEN: Anybody on the phone have  
14 questions?

15 I guess we're done.

16 THE VIDEOGRAPHER: That's the end of  
17 tape number two and the deposition of Adam  
18 Glassner. The time on the monitor is  
19 approximately 11:29 a.m. and we're off the  
20 record.

21 (THEREUPON, the videotaped deposition  
22 was concluded at 11:29 a.m.)

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STATE OF NORTH CAROLINA  
COUNTY OF MECKLENBURG

I, April Reid, Court Reporter and Notary  
Public in and for the State of North Carolina, do  
hereby certify that there came before me on  
Wednesday, November 13, 2013, the person hereinfore  
named, who was by me duly sworn to testify to the  
turther and nothing but the truth of knowledge  
concerning the matters at controversy in this cause;  
that the witness was thereupon examined under oath,  
the examination reduced to typewriting under my  
direction, and the deposition is a true record of  
the testimony given by the witness.

I further certify that I am neither  
attorney or counsel for, nor related to or employed  
by, any attorney or counsel employed by the parties  
hereto or financially interested in this action.

This, the 13th day of November, 2013.

---

APRIL REID, Court Reporter  
Notary Public #2003237014



J U R A T

I, \_\_\_\_\_, do hereby certify under  
penalty of perjury that I have read the foregoing  
transcript of my deposition taken on \_\_\_\_\_;  
that I have made such corrections as appear noted  
herein in ink, initialed by me; that my testimony as  
contained herein, as corrected, is true and correct.

DATED this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_,  
at \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
SIGNATURE OF WITNESS

1 NAME OF CASE:

2 DATE OF DEPOSITION:

3 NAME OF WITNESS:

4 Reason Codes:

5 1. To clarify the record.

6 2. To conform to the facts.

7 3. To correct transcription errors.

8 Page \_\_\_\_\_ Line \_\_\_\_\_ Reason \_\_\_\_\_

9 From \_\_\_\_\_ to \_\_\_\_\_

10 Page \_\_\_\_\_ Line \_\_\_\_\_ Reason \_\_\_\_\_

11 From \_\_\_\_\_ to \_\_\_\_\_

12 Page \_\_\_\_\_ Line \_\_\_\_\_ Reason \_\_\_\_\_

13 From \_\_\_\_\_ to \_\_\_\_\_

14 Page \_\_\_\_\_ Line \_\_\_\_\_ Reason \_\_\_\_\_

15 From \_\_\_\_\_ to \_\_\_\_\_

16 Page \_\_\_\_\_ Line \_\_\_\_\_ Reason \_\_\_\_\_

17 From \_\_\_\_\_ to \_\_\_\_\_

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20 Page \_\_\_\_\_ Line \_\_\_\_\_ Reason \_\_\_\_\_

21 From \_\_\_\_\_ to \_\_\_\_\_

22 Page \_\_\_\_\_ Line \_\_\_\_\_ Reason \_\_\_\_\_

23 From \_\_\_\_\_ to \_\_\_\_\_

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